# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## Technology, Telecommunications & Energy Committee

### **HB 3143**

**Brief Description:** Making findings on renewable energy and energy efficiency.

**Sponsors:** Representatives Morris, Nixon, Hudgins, Sullivan and Chase.

#### **Brief Summary of Bill**

• Requires all electric utilities, except full requirements customers of the Bonneville Power Administration, to develop integrated resources plans.

**Hearing Date:** 2/6/04

**Staff:** Pam Madson (786-7166).

#### **Background:**

An integrated resource plan describes the mix of generating resources and improvements in the efficient use of electricity that will meet current and future needs at the lowest reasonable cost to a utility and its ratepayers.

Investor-owned utilities are required to do integrated resource planning. This requirement has been in place for at least 15 years. By the late 1980's, more than 30 state public utility commissions had adopted the use of integrated resource planning for the regulated utilities.

The 1992 Federal Energy Policy Act established a standard which required states to consider adopting integrated resource planning for utilities regulated by state utility commissions.

#### **Summary of Bill:**

All electric utilities, except full requirements customers of the Bonneville Power Administration, must develop integrated resource plans. The plan must be prepared every two years.

The plan must include (1) forecasts of future customer demand, (2) assessments of technically feasible improvements in the efficient use of electricity, (3) assessments of technically feasible generating technologies, (4) an evaluation comparing the cost-effectiveness of generating resources with improvements in efficient use of electricity, and (5) an integration of the demand forecast and the resource evaluations into a long-range resource plan. The plan must also address short-range actions that a utility may take that are consistent with the long-range plan.

Consumer-owned utilities must provide for public involvement in the development of an integrated resource plan. A public hearing must be held prior to plan approval by the governing body of a utility. Completed plans must be available to the public.

Every two years, the Department of Community Trade and Economic Development must review the consumer-owned utilities' compliance with their plans and report the results of the review to the Legislature.

The investor-owned utilities must submit plans to the Washington Utilities and Transportation Commission and the consumer-owned utilities must provide a copy of the plan to the Department of Community, Trade, and Economic Development.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.